

RUBY TEXTILE MILLS LIMITED



Quarterly Accounts

SEPTEMBER 30, 2018 (UN-AUDITED)



If un-delivered please return to:

Ruby Textile Mills Limited

Room#. 203, Faiyaz Centre, 2nd Floor, 3-A,
S.M.C.H.S., Shahrah-e-Faisal, Karachi-74400

Ph#(+92-21) 3439-6600, 3438-7700

Fax#(+92-21) 3439-8800

Email:aslamd9@yahoo.com

RUBY TEXTILE MILLS LIMITED

BOARD OF DIRECTORS

MR.NOOR ELAHI -CHIEF EXECUTIVE
MRS.PARVEEN ELAHI -CHAIR PERSON
Directors:
MRS. NAHEED JAVED
MR. NABEEL JAVED
MR. SHARIQ JAVED
MR. FAIZAN JAVED
MR.MANSOOB AHMED KHAN

COMPANY SECRETARY AUDIT COMMITTEE

MR. ASIF PERVAIZ KHAWAJA
MR. MANSOOB AHMED KHAN -CHAIRMAN
MR. FAIZAN JAVED -MEMBER
MRS.NAHEED JAVED -MEMBER

HUMAN RESOURCE & REMUNERATION COMMITTEE

MR. MANSOOB AHMED KHAN -CHAIRMAN
MR. NABEEL JAVED -MEMBER
MR. FAIZAN JAVED -MEMBER

BANKERS

M/S.MEEZAN BANK LTD
M/S.BANK ALHABIB LTD
M/S.HABIB METROPOLITAN BANK LTD
M/S.NATIONAL BANK OF PAKISTAN
M/S.SONERI BANK LTD
M/S. SILK BANK LTD
M/S. FAYSAL BANK LTD
M/S. MUSLIM COMMERCIAL BANK LTD
M/S. HABIB BANK LTD
M/S. BANK ALFALAH LTD

AUDITORS

M/S. IBRAHIM SHAIKH & CO
Chartered Accountants,
403, Panorama Centre, Fatima Jinnah Road, Saddar,
Karachi, email:isc1967@hotmail.com

INTERNAL AUDITOR

Mr. TAHIR ALI

LEGAL ADVISOR

M/S MOHSIN & WAHEED LAW ASSOCIATES
Office#S-3, 2nd Floor, West End Plaza,
Shahra-e-Quide Azam

HEAD OFFICE

35-Industrial Area, Gulberg-III, Lahore-54660, Pakistan.
Ph#(+92-42)3571-4601,3576-1243-4
Fax:(+92-42)3571-1400, 3576-1222
Email:info@rubytexile.com.pk

REGISTERED OFFICE

Room#203, Faiyaz Centre, 2nd Floor,3-A,
S.M.C.H.S., Shahrah-e-Faisal, Karachi-74400
Ph#(+92-21) 34396600,34387700
Fax#(+92-21)34398800
Email:aslamd9@yahoo.com

MILLS

Raiwind –Manga Road,
Raiwind, District Kasur-55050, Pakistan
Phone:(+92-42) 3539-1031,3539-2651-2
Fax:(+92-42)3539-1032
Email:wasim@rubytexile.com.pk

SHARE REGISTRAR

M/S CORPLINK (PVT) LTD.,
1-K, (Commercial) wings Arcade.,
Model Town, Lahore-54700, Pakistan.
Phone:(+92-42) 35916714,35916719,35839182
Fax:(+92-42) 3586-9037
Email:corplink786@gmail.com/shares@corplink.com.pk

DIRECTOR'S REPORT

The Directors' of your company are pleased to present the un-audited quarterly financial statements for the period ended Sep 30, 2018.

During the quarter under review the company incurred loss before tax of Rs.7.128 million as against loss before tax of Rs.24.840 million of the corresponding period.

The company incurred loss due to inadequate availability of adequate bank financing for timely procurement of good quality cotton in the peak season. Spinning is merely game of cotton, where we are handicapped. However we are trying to resolve the issues with the bank through an out of Court Settlement, to cause an end to litigations. The sponsors have agreed to provide finances to pay to the Bank and make the unit free from litigations. The Company would be able to acquire adequate financing limits from other Financial Institutions. Consequently, the Company would be able to perform better due to availability of bank financing; and would be able to achieve its optimal level of production. Resultantly per unit cost of output increased. Another factor for reduced selling prices is glut of imported yarn from overseas, which is being sold at lower prices due to lower cost of production.

We would like to thank all of worker, staff and officers, customers, agents, suppliers and shareholders for their dedicated efforts. We also thanks to our financial institutions for their financial support to run our operations.

ڈائریکٹر رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر 2018ء کو ختم ہونے والی سہ ماہی کے لئے کمپنی کے غیر نظر ثانی شدہ سہ ماہی حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

زیر جائزہ سہ ماہی کے دوران کمپنی نے 7.128 ملین روپے کا قبل از ٹیکس نقصان برداشت کیا جو گزشتہ سال کی اسی مدت میں 24.840 ملین روپے قبل از ٹیکس نقصان تھا۔

کمپنی نے پیک سیزن میں اچھی کوئی کے کپاس کی بروقت خریداری کے لئے پیک سے کافی قرضہ کی عدم دستیابی کی وجہ سے نقصان برداشت کیا۔ سپنگ خالصتاً صرف کپاس پر انحصار کرتی ہے، جہاں ہم ہم بے بس ہیں۔ تاہم، ہم قانونی چارہ جوئی کو ختم کرنے کے لئے، عدالت سے باہر ہی پیک کے ساتھ مسئلہ کو حل کرنے کی کوشش کر رہے ہیں۔ اسپانسرز پیک کو ادائیگی کرنے اور یونٹ کو قانونی مقدمہ سے آزاد کرانے کے لئے قرضہ مہیا کرنے پر راضی ہو گئے ہیں۔ کمپنی دیگر مالی اداروں سے کافی فنانسنگ حدود حاصل کرنے کے قابل ہو جائے گی۔ اس کے بعد کمپنی بینک فنانسنگ کی دستیابی کی بدولت بہتر کارکردگی کا مظاہرہ کرنے کے قابل ہو جائے گی، اور پیداوار کی اپنی زیادہ سے زیادہ سطح حاصل کرنے کے قابل ہو جائے گی۔ نتیجتاً آؤٹ پٹ کی فی یونٹ لاگت بڑھ گئی۔ فروخت کی قیمتوں میں کمی کا دوسرا عنصر ادور سیز سے درآمدہ یارن کی زیادتی ہے، جو پیداوار کی کم لاگت کی بدولت کم قیمتوں پر فروخت کیا جا رہا ہے۔

ہم اپنے تمام کارکنوں، عملے اور افسران، صارفین، ایجنٹوں، سپلائرز اور حصص داروں کی بھرپور کوششوں کا شکریہ ادا کرتے ہیں۔ ہم اپنے مالیاتی اداروں کے ہمارے آپریشنز کو چلانے کے لئے ان کے مالی تعاون کے بھی شکر گزار ہیں۔

Muhammad

(نورالحی)

چیف ایگزیکٹو

لاہور

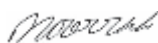
12 اکتوبر 2018ء

RUBY TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT SEPTEMBER 30, 2018

ASSETS	Note	(Un-audited) September 30, 2018 Rupees	(Audited) June 30, 2018 Rupees
NON CURRENT ASSETS			
Property, plant and equipment	5	859,332,440	868,457,835
Long term deposits		6,698,234	5,735,445
CURRENT ASSETS			
Stores, spare parts and loose tools		115,416,641	115,559,079
Stock in trade		310,835,641	333,342,716
Trade debts		14,395,919	14,659,943
Loans and advances		21,910,822	17,630,164
Trade deposits , short term prepayments and current account balance with statutory authorities		10,504,987	10,330,992
Other receivables		-	-
Tax refunds due from Government		1,597,999	1,788,171
Cash and bank balances		2,356,251	1,339,905
		477,018,260	494,650,970
TOTAL ASSETS		1,343,048,934	1,368,844,250
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital			
70,000,000 (June 30, 2018 : 70,000,000) Ordinary shares of Rs. 10 each		700,000,000	700,000,000
Issued, subscribed and paid up capital		522,144,000	522,144,000
Capital reserves		3,240,000	3,240,000
Accumulated loss		(661,862,659)	(655,018,427)
Surplus on revaluation of property, plant and equipment - net of tax		300,984,911	316,787,467
		164,506,252	187,153,040
Long term loan from chief executive and directors		432,080,554	310,021,554
		596,586,806	497,174,594
NON CURRENT LIABILITIES			
Long term financing from banking companies		-	-
Long term financing from others		76,910,625	79,420,000
Long term financing from associates		78,946,676	52,651,676
Deferred liabilities		94,519,714	80,992,510
		250,377,015	213,064,186
CURRENT LIABILITIES			
Trade and other payables		127,790,379	144,703,110
Deposit , Accrued liabilities and advances		140,261,162	130,678,004
Accrued mark up / interest		11,472,221	11,217,986
Unclaimed dividend		402,570	402,570
Loan from banking companies		24,997,180	175,934,149
Loan from related party		-	12,869,000
Current portion of			
Long term financing from banking companies		2,499,999	4,166,665
Long term financing from Others		184,113,160	175,933,921
Provision for taxation		4,548,443	2,700,065
		496,085,114	658,605,470
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		1,343,048,934	1,368,844,250

The annexed notes form an integral part of these condensed interim financial statements.



Chief Executive

Lahore:

October 29, 2018



Director



CFO

RUBY TEXTILE MILLS LIMITED

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

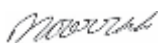
	Three Months Ended	
	30-Sep-2018	30-Sep-2017
	Rupees	Rupees
Sales	147,870,225	98,547,315
Cost of sales	(144,253,519)	(115,964,878)
Gross profit / (loss)	3,616,706	(17,417,563)
Other operating income	402,000	418,170
Distribution cost	-	(149,105)
Administrative expenses	(3,751,384)	(4,716,469)
Other operating expenses	-	-
Finance cost	(7,395,347)	(2,975,207)
Income / (loss) before taxation	(7,128,026)	(24,840,174)
Taxation	(1,848,378)	(985,473)
Income / (loss) for the period	(8,976,404)	(25,825,647)
Earnings / (loss) per share- basic and diluted	(0.17)	(0.49)

The annexed notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	Three Months Ended	
	30-Sep-2018	30-Sep-2017
	Rupees	Rupees
Income/ (loss) for the period	(8,976,404)	(25,825,647)
Other comprehensive income:		
Surplus realized on disposal of property, plant and equipment - net of tax	-	-
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred taxation	2,132,171	2,212,779
	2,132,171	2,212,779
Total comprehensive income / (loss) for the period	(6,844,232)	(23,612,868)

The annexed notes form an integral part of these condensed interim financial statements.



Chief Executive

Lahore:

October 29, 2018



Director



CFO

RUBY TEXTILE MILLS LIMITED

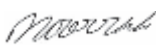
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) AS AT SEPTEMBER 30, 2018

	30-Sep-18 Rupees	30-Sep-17 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Income / (loss) before taxation	(7,128,026)	(24,840,174)
Adjustments for :		
Depreciation	9,125,398	9,648,623
Finance cost	7,395,347	2,975,207
	<u>16,520,745</u>	<u>12,623,830</u>
Loss before working capital changes	9,392,720	(12,216,344)
Working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	142,438	23,125,669
Stock in trade	22,507,075	21,300,116
Trade debts	264,024	(2,195,159)
Loans and advances	(4,280,658)	323,325
Other receivables	16,177	499,182
	<u>18,649,055</u>	<u>43,053,133</u>
Increase/(Decrease) in current liabilities		
Trade and other payables	(7,329,573)	11,742,255
Cash used in operations	<u>20,712,203</u>	<u>42,579,044</u>
Finance cost paid	(7,141,112)	(2,045,469)
Income tax paid	-	-
Staff retirement benefits - gratuity paid	(143,185)	(115,003)
Net cash used in operating activities	A <u>13,427,906</u>	<u>40,418,572</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(20,858,581)
Long term deposits	(962,789)	-
Net cash used in investing activities	B <u>(962,789)</u>	<u>(20,858,581)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing from banking companies	(1,666,666)	(833,334)
Long term loan from chief executive and directors	122,059,000	(1,225,000)
Long term loan from others	5,669,864	944,979
Long term financing from associates	13,426,000	140,000
Net cash generated from financing activities	C <u>139,488,198</u>	<u>(973,355)</u>
Net decrease in cash and cash equivalents	A+B+C <u>151,953,315</u>	<u>18,586,636</u>
Cash and cash equivalents at the beginning of the year	<u>(174,594,244)</u>	<u>(49,227,638)</u>
Cash and cash equivalents at the end of the year	<u><u>(22,640,929)</u></u>	<u><u>(30,641,002)</u></u>
Cash and cash equivalents		
Cash and bank balances	2,356,251	6,847,949
Short term borrowings	(24,997,180)	(37,488,951)
	<u><u>(22,640,929)</u></u>	<u><u>(30,641,002)</u></u>

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) AS AT SEPTEMBER 30, 2018

	Share capital	Capital reserves	Accumulated loss	Total
	Rupees			
Balance as at July 01, 2017	522,144,000	3,240,000	(570,402,831)	(45,018,831)
Total comprehensive Loss for the period	-	-	(23,612,868)	(23,612,868)
Balance as at September 30, 2017	<u>522,144,000</u>	<u>3,240,000</u>	<u>(594,015,699)</u>	<u>(68,631,699)</u>
Balance as at July 01, 2018	522,144,000	3,240,000	(655,018,427)	(129,634,427)
Total comprehensive Loss for the period	-	-	(6,844,232)	(6,844,232)
Balance as at September 30, 2018	<u>522,144,000</u>	<u>3,240,000</u>	<u>(661,862,659)</u>	<u>(136,478,659)</u>

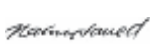
The annexed notes form an integral part of these condensed interim financial statements.



Chief Executive

Lahore:

October 29, 2018



Director



CFO

RUBY TEXTILE MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) AS AT SEPTEMBER 30, 2018

1 STATUS AND ACTIVITIES

The company was incorporated in Pakistan on October 18, 1980 as a private limited company and was subsequently converted into public limited company. The registered office of the company is located at 3-A, SMC Housing Society, Shara-e-Faisal, Karachi. The shares of the company are quoted on the Pakistan stock exchange. The principal business of the company is manufacturing and sale of yarn. The manufacturing units are located at Manga Road, Raiwind in the province of Punjab.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

This condensed interim financial information is un audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34, "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company as at and for the year ended 30th June, 2018.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Pakistan Stock Exchange and section 245 of the Companies Ordinance, 1984.

These condensed interim financial statements comprise of condensed interim statement financial position, condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with the notes for the period ended September 30, 2018 which have been subjected to a review but not audited. These condensed interim financial statements also include the condensed interim income statement for the Period Ended September 30, 2018

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended 30 June, 2018 except amendments in International Accounting Standard 1 (Revised) 'Presentation of Financial Statements' which became applicable from the financial periods beginning on or after 1 January 2009. The application of this standard has resulted in certain increased disclosures including the statement of other comprehensive income which has been reflected in the company's condensed interim financial information.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June, 2018.

The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2018.

5 PROPERTY, PLANT AND EQUIPMENT

	30-Sep-18 Rupees Un audited	30-Jun-18 Rupees Audited
Opening written down value	868,457,835	902,017,774
Add: Addition/ transfer/ revaluation during the period	-	4,890,684
	868,457,835	906,908,458
Less: Disposal/ transfer during the period	-	-
Depreciation charged during the period	(9,125,398)	(38,450,623)
Closing written down value	859,332,437	868,457,835
Capital Work in Progress	-	-
	859,332,437	868,457,835

5.1 Following is the detail of additions and disposals during the period :

	30-Sep-18		30-Jun-18	
Owned:	Additions Rupees	Disposals Rupees	Additions Rupees	Disposals Rupees
Vehicle	-	-	-	-
Plant and machinery	-	-	-	-
	-	-	-	-

RUBY TEXTILE MILLS LIMITED

6 CONTINGENCIES AND COMMITMENTS

There has been no significant change in the contingencies and commitments since the last audited financial statements.

7 TRANSACTION WITH RELATED PARTIES

Balance with related parties

Loan from associated undertaking
Loan from directors

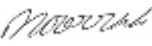
30-Sep-18 Rupees Un audited	30-Jun-18 Rupees audited
78,946,676	52,651,676
432,080,554	310,021,554
511,027,230	362,673,230

8 DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial statements has been authorized for issue on **October 29, 2018** by the board of directors of the company.

9 GENERAL

Figures have round off to the nearest rupee.



Chief Executive

Lahore:

October 29, 2018



Director



CFO